

## Message Text

SECRET

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ORIGIN NEA-09

INFO OCT-01 EUR-12 ISO-00 EB-07 CIAE-00 INR-07 NSAE-00

/036 R

DRAFTED BY NEA/ARP:PDMOLINEAUX:GLG

APPROVED BY NEA/ARP:FMDICKMAN

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R 141723Z MAR 75

FM SECSTATE WASHDC

TO AMEMBASSY MUSCAT

INFO AMEMBASSY LONDON

S E C R E T STATE 057522

E.O. 11652: GDS

TAGS: MU, EFIN, ECON

SUBJECT: OMANI FINANCES - CHASE VIEW

REF: MUSCAT 299

1. PHILPOT TELLS DEPT. CHASE NOT CONSIDERING ANY FURTHER  
ROLE IN OMAN AT THIS TIME, OTHER THAN TO REVIEW REPORT  
CURRENTLY UNDER PREPARATION BY MORGAN-GRENFELS WHEN RE-  
CEIVED BY SULTAN. THIS WAS ONLY EXPLICIT REQUEST BY  
SULTAN OF CHASE REPRESENTATIVES AT SALALAH AUDIENCE.

2. ONLY EXPLICIT RECOMMENDATION CHASE REPS MADE TO SULTAN  
WAS THAT LATTER FIND "STRONG INTERNATIONAL FINANCE MAN"  
TO GET FIRM GRASP ON ENTIRE OMAN GOVT FINANCIAL OPERATION.  
SULTAN DID NOT COMMENT ON THIS SUGGESTION.

3. PHILPOT COMMENTED TOWNSEND SEEMED QUITE NERVOUS WHEN  
THEY MET IN MUSCAT. TOWNSEND RESPONSIBLE FOR CONSIDERABLE  
VOLUME OF SHORT-TERM DEBT, REGARDED BY PHILPOT AS UNUSUAL  
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PROCEDURE FOR A GOVERNMENT FINANCIAL OPERATION. HE

OBSERVED THAT TOWNSEND AND GHASSAN SHAKIR OBVIOUS ENEMIES.

4. IT CLEAR PHILPOT BELIEVES TOWNSEND HAS NOT ADEQUATELY  
FULFILLED NEEDED ROLE OF FINANCIAL STRONG-MAN. HOWEVER,

NOTING BYZANTINE CHARACTER PALACE POLITICS AND EXTENSIVE  
UNANSWERED QUESTIONS, PHILPOT UNWILLING SAY WHETHER OR NOT  
TOWNSEND COULD HAVE PREVENTED PRESENT SITUATION.

5. OTHER PHILPOT COMMENTS ALONG LINES ALREADY REPORTED BY  
EMBASSY. HE CONFIRMED BBME EXPECTS FULLY RECOVER PRESENT  
DEBTS AFTER QUARTERLY OIL PAYMENTS IN APRIL. HE SAID  
SULTAN STATED THERE WOULD BE NO NEW CONTRACTS "FOR  
SEVERAL YEARS," BUT IS SCEPTICAL THIS WILL REALLY BE SO.  
INGERSOLL

SECRET

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, CONSULTANTS, ECONOMISTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE057522  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** PDMOLINEAUX:GLG  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750091-1100  
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**Original Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
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**Review Date:** 01 JUL 2003  
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